

REQUEST FOR RECONSIDERATION UNDER 37 CFR § 1.111

Serial Number: 09/467,994

Filing Date: December 20, 1999

Title: SYSTEM AND METHOD OF DISTRIBUTING AND RETURNING PRODUCTS

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REMARKS

No claims are added or canceled by this Amendment. Claims 1-11, 13, 17-22 and 28-32 remain pending in the application. Independent claim 1 is amended to incorporate features recited in claim 3 and in claim 17. Independent claims 19 and 30 are amended to include features similar to some of the features recited in claim 1.

The Office Action of May 29, 2003 was accompanied by a copy of applicant's Information Disclosure Statement form PTO-892 filed on April 22, 2003. It is believed that the Examiner considered the two documents included in the IDS since the Examiner's signature appears at the bottom of the form PTO-892. However, it is noted that the Examiner's initials do not appear next to the listing of the documents provided as part of the IDS. It is respectfully requested that a copy of the form PTO-892, initialed by the Examiner, be provided with the next paper from the Office to rectify this minor oversight.

The Office Action includes: i) a rejection of claims 1-11, 13 and 17-18 under 35 U.S.C. §103(a) in view of U.S. Patent 6,028,766 ("Shah"), further in view of U.S. Patent 5,839,058 ("Phillips '058"), and yet further in view of U.S. Patent 5,769,269 ("Peters '269"), and yet even further in view of the Phoenix Arizona Republic Newspaper, Final Chaser Edition, Weekend Section, page D12 by Jay Boyar ("Boyar '92"); ii) a rejection of claims 19-22 and 28-29 under 35 U.S.C. §103(a) in view of the Phillips '058 patent and further in view of the Boyar '92 article.

Traversal of Inherency of Features Recited in Claims 1, 9-10 and 18

The Office Action contends that a number of the features claimed in claims 1, 9-10 and 18 are inherent. These contentions of inherency are respectfully traversed. The MPEP recites the standard for establishing inherency, as promulgated by the Federal Circuit, stating:

To establish inherency, the extrinsic evidence 'must make clear that the missing descriptive matter is necessarily present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill. Inherency, however, may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient.¹

Claim 1 recites "a vending machine in one location" and a "return center being in another location." In the rejection of claim 1 the Office adopts the position that it is inherent that the

¹ MPEP 2163.07(a) quoting *In re Robertson*, 49 USPQ2d 1949, 1950-51 (Fed. Cir. 1999) (citations omitted).

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refurbishment center mentioned in the Phillips '058 patent is a return center "in another location." This assertion is respectfully traversed. It is quite possible that the point of distribution of the recyclable cellular telephones according to the Phillips '058 patent could be co-located with Phillips' refurbishment center. Since the recyclable cellular telephones of the Phillips '058 patent could be distributed and returned to the same location, the Office's assertion of inherency with respect to claim 1 cannot be properly maintained. Accordingly, it is respectfully requested that the rejection be withdrawn.

Claim 9 recites "a transaction identifier on the return mailer." In the rejection of claim 9 the Office adopts the position that it is inherent that some form of identification be on a return mailer. This assertion is respectfully traversed. A mailer could be sent with only the identifying information for the receiving party—that is, the mailer need not include any information about the sender. Since the identity of the sender need not be included on a mailer, the Office's assertion of inherency with respect to claim 9 cannot be properly maintained. Accordingly, it is respectfully requested that the rejection be withdrawn.

Claim 10 recites, "wherein the transaction identifier is a scannable code." In the rejection of claim 10 the Office adopts the position that it is inherent for the identifiers on return mailers to be scannable codes. This assertion is respectfully traversed. It is respectfully submitted that there are a number of types of identifiers suitable for use on return mailers (e.g., an identifier is commonly provided in the form of a printed alphanumeric character, which is intended to be read by a human at the return center). Since there is clearly more than one way of providing an identifier, the Office's assertion of inherency with respect to claim 10 cannot be properly maintained. Accordingly, it is respectfully requested that the rejection be withdrawn.

Claim 18 recites, "wherein the return center determines compliance with the specified return date by noting the actual return date and comparing the actual return date with the specified return date in the database." In the rejection of claim 18 the Office adopts the position that it is inherent for the return center to determine compliance with the specified return date by comparing the actual return date with the specified return date in the database. This assertion is respectfully traversed. There are other ways of determining whether the product has been returned in a timely manner. For example, rather than keeping the specified return date in the database, the specified return date could be affixed to the product or return mailer, and the return center could then check this date to ascertain timeliness. Since there other ways of determining

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whether the product has been returned in a timely manner, the Office's assertion of inherency with respect to claim 18 cannot be properly maintained. Accordingly, it is respectfully requested that the rejection be withdrawn.

Misapplication of 35 U.S.C. §103

It is respectfully submitted that 35 U.S.C. §103 has been misapplied as it pertains to the pending rejection of claims 1, 17, 20-22, 28 and 29. In the §103 rejection of these claims the Office Action cites MPEP 2142, stating that an element of each of these claims "is only limited by the imagination of the designer and therefore non-limiting." This rejection is not in accordance with 35 U.S.C. §103 and therefore cannot be maintained.

The MPEP provision cited in the Office Action, MPEP 2142, deals with the legal concept of *prima facie* obviousness. In fact, MPEP 2142 contradicts the pending §103 rejection. MPEP 2142 sets forth the three basic criteria which must be met to establish a *prima facie* obviousness, stating in regard to the third criteria that "[f]inally, the prior art reference (or references when combined) must teach or suggest *all the claim limitations*." (Emphasis added). MPEP 2143.03 sheds yet more light on the requirements for establishing *prima facie* obviousness, stating:

To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). "All words in a claim must be considered in judging the patentability of that claim against the prior art." *In re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

Hence, it is improper for the Office to adopt the position that claim features can be ignored because it is felt that they are "only limited by the imagination of the designer and [are] therefore non-limiting."

The Office appears to further allege that claim language in each of claims 1, 17, 20-22, 28 and 29 is not functionally interrelated with the useful acts, structure, or properties of the claimed invention. First, it is noted that being "functionally interrelated" is not a criteria for whether or not a claim feature should be given patentable weight for the purposes of examination. All claim features must be examined.² Further, even if being "functionally interrelated" could somehow possibly be construed as a requirement for examination on the

² It should be noted that MPEP 2143.03 requires that all claim terms be considered in the examination of an application. For example, MPEP 2143.03 even requires that indefinite limitations in the claims must be considered, and further requires that even limitations which do not find support in the specification must be considered.

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merits, it respectfully submitted that each of the rejected claims is "functionally interrelated" to its parent claim. For example, each of claims 17, 20-22, 28 and 29 are dependent claims which derive antecedent basis from their respective parent claims, and further define features of the parent claims from which they depend. Hence, it is respectfully submitted that each of the rejected claims are functionally related with the parent claims from which they depend.

Accordingly, it is respectfully submitted that the rejection of claims 1, 17, 20-22, 28 and 29 is not proper, and therefore cannot be maintained. Therefore, it is requested that the rejection be withdrawn.

*§103 Rejection in view of the Hypothetical Combination of
Shah / Phillips '058 / Peters '269 / Boyar '92*

The §103(a) rejection of claims 1-11, 13 and 17-18 in view of the hypothetical combination of the Shah patent, the Phillips '058 patent, the Peters '269 patent, and the Boyar '92 article is respectfully traversed.

Claim 1 recites "the return center being in another location." The Office Action acknowledges that the Shah patent does not teach this feature. Further, it is respectfully submitted that the Shah patent teaches away from the aforementioned claim features, thus rendering the proposed combination improper.

The Shah patent involves an automated rental system which provides an unattended vending machine for renting items such as video cassettes, and receiving the returned items back. The Shah patent emphasizes the advantages of its system being automated, expressly stating that there is no need for a centralized distribution system. Shah states:³

As will be understood, the present invention works in a communication mode and does not require a central distribution mode, a robotic arm or a carousel system. Thus, by communication of commands and information, controls are activated by the transaction process for facilitating retrieval of an article from its bin and identifying and securing the returned article. (Emphasis added).

The Shah patent teaches that a patron must return a rented article back to the location from which it came. In fact, in order to properly identify a returned article, the article must be returned to the appropriate bin within Shah's automated vending machine.⁴ Consequently, the Shah patent teaches away from returning an item to a location different than the location where it was

³ Shah, col. 2, lines 20-28.

⁴ Shah, column 5, lines 23-27.

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dispensed.

In accordance with the tenet of patent law set forth by the Federal Circuit in *In re Grasselli*, and promulgated in MPEP 2145, "[i]t is improper to combine references where the references teach away from their combination."⁵ In the present Office Action, the Shah patent teaches away from combination with the secondarily cited Phillips '058 patent which is relied upon to purportedly disclose the act of returning an item to a location different from where it was dispensed. For at least these reasons, the hypothetical combination of the Shah patent, the Phillips '058 patent, the Peters '269 patent, and the Boyar '92 article is not proper.

Accordingly, the hypothetical combination of the Shah patent, the Phillips '058 patent, the Peters '269 patent and the Boyar '92 article, do not teach or suggest the features of the present invention. Therefore, withdrawal of the rejection is respectfully requested.

*§103 Rejection in view of the Hypothetical Combination of
Phillips '058 patent and the Boyar '92 article*

The §103(a) rejection of claims 19-22 and 28-29 in view of the hypothetical combination of the Phillips '058 patent and the Boyar '92 article is traversed.

Claim 19 involves a vending machine configured to dispense media products and has been amended to recite "storing information about the media product rental terms in a database ... wherein the database contains at least four of the media product rental terms selected from the group consisting of a transaction identifier, product title, rental date, specified return date, product condition, product rental fee and product purchase price." Claim 30 involves an apparatus for dispensing media products, and has been amended to recite a "database [which] contains information specifying at least four product rental terms selected from the group consisting of a transaction identifier, product title, product dispense date, specified return date, product condition, product rental fee and product purchase price." It is respectfully submitted that the cited documents do not disclose or suggest these features of the claimed invention. Accordingly, withdrawal of the pending rejections is requested.

⁵ MPEP 2145 quoting *In re Grasselli*, 218 USPQ 769 (Fed. Cir. 1983).

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Conclusion

The pending claims are respectfully submitted to be in condition for allowance. Accordingly, notification to that effect is earnestly requested. In the event that issues arise in the application which may readily be resolved via telephone, the Examiner is kindly invited to telephone the Gateway, Inc. attorney at (605)232-1967 to facilitate prosecution of the application.


It is believed that the attached Fee Transmittal attends to the appropriate fees owed for the present Amendment. However, if necessary, please charge any additional fees or credit overpayment to Deposit Account No. 50-0439.

Respectfully submitted,

OFFICIAL

Date: September 24, 2003

By



Scott Charles Richardson

Reg. No. 43,436

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